

AMENDED IN SENATE APRIL 6, 2011

SENATE BILL

No. 698

Introduced by Senator Lieu

February 18, 2011

An act to amend Section 14200 of the Unemployment Insurance Code, relating to workforce development.

LEGISLATIVE COUNSEL'S DIGEST

SB 698, as amended, Lieu. Workforce development: high-performance boards.

The federal Workforce Investment Act of 1998 provides for workforce investment activities, including activities in which states may participate. Existing law contains various programs for job training and employment investment, including work incentive programs, as specified. Existing law requires the local chief elected officials in a local workforce development area, to form, pursuant to specified guidelines, a local workforce investment board to plan and oversee the workforce investment system, and further requires the Governor to certify one local board for each local area in the state once every 2 years.

This bill would require the Governor to establish, through the California Workforce Investment Board, ~~a process by which to delineate high-performance boards and only these boards would be eligible to receive state discretionary funds and grants, as specified. The bill would require high-performance boards, among other things, to meet specified federal performance criteria, meet state statutory requirements, and develop and implement local planning processes and workforce initiatives~~ *standards for certification of high-performance local workforce investment boards, in accordance with specified criteria. The bill would also require the Governor to establish the*

High-Performance Workforce Investment Board Fund and would require the California Workforce Investment Board, in consultation with the Governor to allocate specified federal discretionary funds to high-performance local workforce investment boards.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14200 of the Unemployment Insurance
2 Code is amended to read:
3 14200. (a) The local chief elected officials in a local workforce
4 development area shall form, pursuant to guidelines established
5 by the Governor and the board, a local workforce investment board
6 to plan and oversee the workforce investment system.
7 (b) The Governor shall certify one local board for each local
8 area in the state once every two years, following the requirements
9 of the Workforce Investment Act of 1998.
10 (c) The Governor shall establish, through the California
11 Workforce Investment Board, ~~a process by which to delineate high~~
12 ~~performance boards. Each high performance boards shall do all~~
13 ~~of the following:~~
14 ~~(1) Meet the federal performance criteria for the local workforce~~
15 ~~investment Area.~~
16 ~~(2) Meet the statutory requirements of the California Workforce~~
17 ~~Investment Act.~~
18 ~~(3) Develop and implement a local plan consistent with the state~~
19 ~~strategic plan, demonstrating that it has aligned resource use in~~
20 ~~the local workforce investment area with the goals and objectives~~
21 ~~of the state plan.~~
22 ~~(4) Demonstrate that its local planning process involves key~~
23 ~~stakeholders, including the major employers and industry groups~~
24 ~~in the relevant regional economy and organized labor.~~
25 ~~(5) Demonstrate that the local planning process takes into~~
26 ~~account the entire workforce training pipeline for the relevant~~
27 ~~regional economy, including partners in K-12 education, career~~
28 ~~technical education, the community college system, other~~
29 ~~postsecondary institutions, and other local workforce investment~~
30 ~~areas operating in relevant regional economy.~~

~~(6) Demonstrate that the local planning process and plan are data driven, and that policy decisions at the local level are evidence based. High performance boards shall use labor market data to develop and implement the local plan, taking care to steer resources into programs and services that are relevant to the needs of each workforce investment area's relevant regional labor market and high-wage industry sectors. Local workforce investment areas shall demonstrate an evidence-based approach to policymaking by establishing performance benchmarks and targets to measure progress toward local goals and objectives.~~

~~(7) Demonstrate investment in workforce initiatives, and, specifically, training programs that promote skills development and career ladders relevant to the needs of each workforce investment area's regional labor market and high-wage industry sectors.~~

~~(8) Establish a youth strategy aligned with the needs of each workforce investment area's regional labor market and high-wage industry sectors.~~

~~(d) Only a board that is delineated as a high-performance board by the California Workforce Investment Board shall be eligible to receive federal funds, pursuant to the federal Workforce Investment Act, as state discretionary funds and grants distributed by the state. standards for certification of high-performance local workforce investment boards. The California Workforce Investment Board shall, in consultation with representatives from local workforce investment boards, initiate a stakeholder process to determine the appropriate measurable metrics and standards for high-performance certification. These standards shall be implemented on or before January 1, 2012, and the first certification of high-performance boards shall occur on or before January 1, 2013. Certification and recertification of each high-performance board shall occur thereafter at least once every two years. In order to meet the standards for certification, a high-performance board shall do all of the following:~~

~~(1) Consistently meet or exceed negotiated performance goals for all of the measures in each of the three federal Workforce Investment Act customer groups, which consist of adults, dislocated workers, and youth.~~

~~(2) Consistently meet the statutory requirements of this division.~~

1 (3) *Develop and implement local policies and a local strategic*
2 *plan that meets all of the following requirements:*

3 (A) *Is separate and apart from the local plan required under*
4 *the federal Workforce Investment Act.*

5 (B) *Is consistent with the California Workforce Investment Board*
6 *strategic plan.*

7 (C) *Describes the actions that the board shall take to implement*
8 *local policies in furtherance of its goals.*

9 (D) *Serves as a written account of intended future courses of*
10 *action aimed at achieving the specific goals of the local and state*
11 *board within a specific timeframe.*

12 (E) *Explains what needs to be done, by whom, and when each*
13 *action is required to occur in order to meet those goals.*

14 (4) *Demonstrate that the local planning process involves key*
15 *stakeholders, including the major employers and industry groups*
16 *in the relevant regional economy and organized labor.*

17 (5) *Demonstrate that the local planning process takes into*
18 *account the entire workforce training pipeline for the relevant*
19 *regional economy, including partners in K-12 education, career*
20 *technical education, the community college system, other*
21 *postsecondary institutions, and other local workforce investment*
22 *areas operating in relevant regional economy.*

23 (6) *Demonstrate that the local planning process and plan are*
24 *data driven, and that policy decisions at the local level are evidence*
25 *based. Each high-performance board shall use labor market data*
26 *to develop and implement the local plan, taking care to steer*
27 *resources into programs and services that are relevant to the needs*
28 *of each workforce investment area's relevant regional labor market*
29 *and high-wage industry sectors. Local workforce investment areas*
30 *shall demonstrate an evidence-based approach to policymaking*
31 *by establishing performance benchmarks and targets to measure*
32 *progress toward local goals and objectives.*

33 (7) *Demonstrate investment in workforce initiatives, and,*
34 *specifically, training programs that promote skills development*
35 *and career ladders relevant to the needs of each workforce*
36 *investment area's regional labor market and high-wage industry*
37 *sectors.*

38 (8) *Establish a youth strategy aligned with the needs of each*
39 *workforce investment area's regional labor market and high-wage*
40 *industry sectors.*

1 (9) *Establish a business service plan that integrates local*
2 *business involvement with workforce initiatives. This plan at a*
3 *minimum shall include all of the following:*

4 (A) *Efforts to partner with businesses to identify the workforce*
5 *training and educational barriers to attract jobs in the relevant*
6 *regional economy, existing skill gaps reducing the competitiveness*
7 *of local businesses in the relevant regional economies, and*
8 *potential emerging industries that would likely contribute to job*
9 *growth in the relevant regional economy if investments were made*
10 *for training and educational programs.*

11 (B) *An electronic system for both businesses and job seekers to*
12 *communicate about job opportunities.*

13 (C) *A subcommittee of the local workforce investment board*
14 *that further develops and makes recommendations for the business*
15 *service plan for each local workforce investment board in an effort*
16 *to increase employer involvement in the activities of the local*
17 *workforce investment board. The subcommittee members should*
18 *be comprised of business representatives on the local workforce*
19 *investment board who represent both the leading industries and*
20 *employers in the relevant regional economy and potential emerging*
21 *sectors that have significant potential to contribute to job growth*
22 *in the relevant regional economy if investments were made for*
23 *training and educational programs.*

24 (d) *The Governor shall establish the High-Performance*
25 *Workforce Investment Board Fund for the purpose of subdivision*
26 *(c).*

27 (e) *The California Workforce Investment Board, in consultation*
28 *with the Governor, shall annually reserve a portion of the federal*
29 *Workforce Investment Act's 15-percent discretionary fund for the*
30 *High-Performance Workforce Investment Board Fund to be*
31 *allocated to high-performance local workforce investment boards*
32 *for the purposes of subdivision (c).*

33 (f) *Only a workforce investment board that is certified as a*
34 *high-performance board by the California Workforce Investment*
35 *Board shall be eligible to receive any money from the*
36 *High-Performance Workforce Investment Board Fund or any*
37 *portion of the state's 15-percent discretionary fund.*

38 (g) *The California Workforce Investment Board shall establish*
39 *a policy for the allocation of High-Performance Workforce*
40 *Investment Board Fund Moneys among high-performance boards.*

1 (h) *The California Workforce Investment Board may consider*
2 *the utilization of incentive grants pursuant to the federal Workforce*
3 *Investment Act (29 U.S.C. Sec. 2864(a)(2)(B)(iii)), for the purposes*
4 *of this section.*

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